

CITIZENS' INDEPENDENT TRANSPORTATION TRUST (CITT)
Budget & Finance Committee Meeting
Thursday, March 18, 2004
Stephen P. Clark Center
111 NW 1st Street
10th Floor Conf. Room
10:30 a.m.

Summary of Minutes

Members Present:

Rev. Theodore Wilde, Chairman
Hon. John F. Cosgrove
Miles Moss

Marc Buoniconti
Franklin Kelly

COUNTY ATTORNEY

Bruce Libhaber

OTHERS PRESENT:

Hilda Fernandez, Executive Director, OCITT
Patty David, OCITT
Julio Brea, City of Homestead
Denise Sharpton, Citizen
Jorge Avino, Citizen

Michelle Brown, MDT
Mayra Bustamante, MDT
Joe Lepp, Citizen
David Tinder, PWD

ROLL CALL

With a quorum being present, Rev. Theodore Wilde, Chairman of the Budget and Finance Committee, called the meeting to order at 10:40 a.m.

APPROVAL OF AGENDA

Mr. Wilde requested a motion to approve the agenda. Mr. Miles Moss moved its approval. The motion was seconded by Mr. Franklin Kelly and carried without dissent.

APPROVAL OF MINUTES – FEBRUARY 25, 2004

Mr. Wilde requested a motion to approve the minutes. Mr. John Cosgrove moved its approval. The motion was seconded by Mr. Kelly and carried without dissent.

CITIZEN'S COMMENTS

None

COMMITTEE MEMBER COMMENTS

Marc Buoniconti complimented Mr. Cosgrove's letter to Commissioner Dennis Moss on the Commissioner's decision to remove the County Manager's recommendation to reject all bids and re-issue the Request for Proposals (RFP) for the CITT's Financial Consultant from the BCC Transportation Committee agenda. The letter also mentions the negative impact that Commissioner Moss's proposed amendment to the People's

Transportation Plan (PTP) would have on the authority given to the CITT by the citizens of Miami-Dade County.

Ms. Fernandez informed the members that the Board of County Commission meeting was in progress and that the PTP Amendment was on agenda for first reading. She further stated that staff just informed her that Commissioner Morales has pulled the item off the agenda for discussion. She explained that when this occurs the item will be discussed and may not move forward to a second reading. She stated that she would keep the members informed of the outcome.

OLD BUSINESS

Financial Consultant RFP 427a – Report

Mr. Wilde stated that Commissioner Moss's decision to remove the CITT's request to re-issue the RFP for a Financial Consultant from the BCC Transportation Committee agenda would cause a 2-month delay at minimum. He suggested that the Trust might wish to consider using one of the firms listed in the County pool.

Mr. Moss suggested hiring someone to assist Jack Furney, OCITT staff, on a temporary basis until a financial consultant is obtained. Ms. Fernandez stated that there are two vacant positions in the OCITT and suggested using temporary employees with expertise and in finance. She further suggested that one of the current vacant positions could be converted to a financial type permanent position to support the CITT.

Ms. Moss moved to recommend staff to either reallocate the existing position or use temporary help to assist in the financial analysis until a financial consultant is hired. The motion was seconded by Mr. Buoniconti and carried without dissent.

PTP Pro Forma – Informational Only

Ms. Fernandez reported that several Commissioners requested additional information when the Pro Forma was presented to the BCC in December 2003. A copy of the County Manager's response relating to the various scenarios pertaining to the Pro Forma was distributed.

Additionally, Ms. Fernandez mentioned that the two *Miami Today* articles, dated March 18, 2004, were in response to requests by Commissioners for staff to develop different possibilities in terms of funding streams and expenditure streams and did not mention why the scenarios were developed.

Mr. Wilde added that none of the options included that the sales tax revenues for the first year would fall short of expectations. Ms. Fernandez said that OCITT staff would be meeting with other County staff to review the model that was used to project tax revenue and will report back to the committee. The Pro Forma includes tax revenues of \$163 million for FY 2004, and at a minimum; it will be short \$10 or \$11 million.

Mr. Furney noted that a lot of work was put into the Pro Forma and if any adjustments are going to be made, it would require careful review, because anything that changes in the early years will impact the future projections.

Virginia Diaz, OCITT staff, announced that the PTP Amendment, previously mentioned by Ms. Fernandez, passed first reading by the Board of County Commissioners.

Ms. Mayra Bustamante, Assistant Director, MDT, stated that MDT is in the process of determining which approach to use to update the Pro Forma. As it stands, all Federal and State contributions for the Corridors are uncertain. The corridors were anticipated to be constructed at an earlier date than it was originally envisioned. However, MDT is currently considering putting the schedule back to its original schedule.

Mr. Cosgrove asked when MDT anticipates presenting the final options to the BCC and the CITT. Ms. Bustamante replied that she would like to present the CITT with a couple of options once the parameters have been established; she would estimate two or three months.

Mr. Buoniconti asked who needs to approve the scenario: Is it the BCC, MDT, CITT or the County Manager, because it seems that everyone needs to have a consensus.

Ms. Fernandez stated that there has not been any other recommendation made to the Pro Forma except the one given by the County Manager on December 17, 2003. The report submitted to the BCC from the County Manager on March 11, 2004, was at the request of the BCC to staff for the various scenarios. Ms. Bustamante added that the 30 year Pro Forma was accepted by the BCC as a report.

MDT/PTP FINANCIAL CAPACITY ANALYSIS – JANUARY 2004

Mr. Wilde stated that the Pro Forma report included in the agenda package is essentially the same as the one presented in December 2003.

REPORTS

PTP AMENDMENT – NEIGHBORHOOD IMPROVEMENTS SECTION

RESOLUTION BY THE CITT RECOMMENDING TO THE BCC THAT THE NEIGHBORHOOD IMPROVEMENTS SECTION IN EXHIBIT 1 OF THE PTP BE AMENDED TO INCLUDE ROADWAY SIGNAGE, ROADWAY LIGHTING, PAVEMENT MARKINGS, AND TRAFFIC CALMING AND AMEND THE PTP ACCORDINGLY

Ms. Fernandez reported that in December 2003, the CITT approved the Department of Public Works' Two-Year Plan. At that time, it included a funding allocation formula for the next two years relating to the use of the PTP funds. It identified how it would spend \$2 million in the "Neighborhood Improvement" section for certain activities that could not be covered under the bond program. On February 12, 2004, at the Budget and Finance meeting, a request was made to switch some of the line items within the \$2 million to allow the purchase of vehicles to facilitate the installation of signs under the Traffic Sign & Signal Division. During the meeting, members raised concerns regarding the request to accelerate the replacement and installation of street signs; as that activity is not listed in the PTP Neighborhood Improvements section. The committee deferred the item back to the Project Review Committee for further discussion; however, not having a quorum at its March 10, 2004, meeting, the PRC was unable to render a recommendation.

Meantime, to confirm whether or not this activity is eligible as a “stand alone” activity under the PTP as currently written, and to establish if state statutes allow it to be funded with transit surtax proceeds, a legal opinion was requested from the County Attorney’s office. The County Attorney’s office opined that under the applicable state statute, roadway signage, roadway lighting, pavement markings and traffic calming devices are acceptable uses that may be funded by the surtax. However, in order for those activities to be funded, the PTP would need to be amended. In addition, Ms. Fernandez distributed and discussed the PWD’s “Traffic Signs & Signals Division” schedule. The PWD has provided documents on how many street signs they have installed and have provided documentation reflecting its budgeted county commitment for the installation and fabrication of street signs, therefore, the PTP would not be the sole source of funding for those activities, but rather a source of funding to accelerate installation and repair. The OCITT reviewed the PWD’s request and submitted a list of questions related to the current and past levels of funding for these activities, which were also included in the agenda package.

Mr. Cosgrove expressed his concern about setting a precedent using PTP funds to cover budget holes. Mr. Moss noted that he does not see this as setting a precedent because Neighborhood Improvements are maintenance items, and all items listed would be accomplished if the funding were provided. Also, the public will notice these items. There was discussion among the members regarding the item.

Mr. Moss moved to approve the resolution to be forwarded to the CITT. The motion was seconded by Mr. Kelly and was approved with one dissenting vote by Mr. Wilde.

Mr. Julio Brea, City of Homestead, asked if the municipalities could also use its share of PTP funds for similar projects. Ms. Fernandez responded the municipalities are only required to comply with state statute.

CITT MONTHLY REPORT

Ms. Fernandez reported that for the current fiscal year a total of \$58,944,102 in surtax funds have been received. She noted that the December 2003 amount shows \$24 million that month, but it was for a deposit of two (2) months. Once the April 2004 transfer has been received, staff will be able to ascertain whether there has been growth. A total of \$128,993, 731 in surtax funds have been received to date.

ACTION ITEMS

RESOLUTION BY THE CITT APPROVING THE ACTION OF THE BCC IN AUTHORIZING THE EXECUTION OF A JOINT PARTICIPATION AGREEMENT WITH THE CITY OF MIAMI TO PARTICIPATE IN FUNDING THE CONSTRUCTION OF PTP ROADWAY IMPROVEMENTS ALONG GRAND AVENUE, FROM SW 37TH AVENUE TO MATILDA STREET

Ms. Fernandez noted that the item was placed on the agenda for informational purposes. It will be discussed at the Compliance & Oversight committee meeting on

March 22, 2004. The County and the City of Miami have negotiated and are entering a Joint participation Agreement (JPA) for the implementation of a PTP project. The project consists of roadway reconstruction from four (4) to two (2) lanes. The County will provide \$500,000 in Road Impact fees, \$350,000 in Secondary Gas Tax funds, and \$2 million in PTP funds. The remainder of the funding, \$850,000 will come from the City of Miami. The total project cost is \$3.7 million. The JPA has been approved by the BCC on March 17, 2004, and is anticipated to be on the agenda at the full CITT meeting on March 31, 2004. A copy of questions asked by OCITT staff to PWD, along with the response were also distributed.

Mr. Wilde stated he knows that there has been a lot of community input, but was not satisfied with the explanation given regarding bus bays and bus traffic. Hearing that the bus drivers are not currently using the bus bays was not very encouraging. Mr. Tinder responded that MDT was involved in the design planning process.

Mr. Wilde requested a motion to approve Item 8A. Mr. Moss moved approval and added: to request the PWD to meet with the City of Miami to reconsider the addition of bus pull-out bays in strategic locations.

Mr. Buoniconti questioned the capacity reduction. Ms. Fernandez added: it was a community driven project. She stated that she has asked the City of Miami to provide documentation as to how many community meetings were held and what were the concerns discussed. Mr. Cosgrove said he is not questioning the professionals who are recommending the project and suggested that Mr. Buoniconti get a personal briefing at his convenience.

Mr. Cosgrove suggested inviting the Project Review Committee members to the Executive Planning Committee meeting scheduled for March 22, to review the item further.

TRANSFER OF SURTAX TO MDT FOR FY2002-2003

Ms. Fernandez updated the members who did not attend the Budget and Finance Workshop that met prior to the committee meeting. She explained and distributed a resolution and attachment that was approved by the committee members at the workshop. The resolution states the following:

RESOLUTION DIRECTING STAFF FROM THE OFFICE OF CITT TO
TRANSFER \$36,184,756 OF PTP FUNDS TO REIMBURSE CERTAIN MDT
EXPENDITURES THAT WERE INCURRED IN FISCAL YEAR 2002-2003, AS
THEY ARE DELINEATED IN THE ATTACHED SCHEDULED RELATED TO
THE IMPLEMENTATION OF THE PTP

Based on the workshop earlier this morning and after analysis and review, staff recommends reimbursement of some categories of expenditures in the package submitted by MDT for the FY ending 02-03. However, there are additional categories that need further review and justification. MDT has submitted a bill for a total of \$70,980,000 in expenditures for the last fiscal year ending in September 2003. Staff has identified a total of \$36,184,756 to be transferred to fill MDT's cash deficit.

Mr. Buoniconti moved to approve the resolution. The motion was seconded by Mr. Moss and carried without dissent.

Ms. Fernandez introduced the companion resolution, which was also approved. She stated that MDT has indicated that it is an acquisition expense attributable to the PTP that were incurred in the current fiscal year, and that they could submit for reimbursement. She has asked staff to submit a formal reimbursement package, which will be reviewed by OCITT staff and make an actual recommendation

**RESOLUTION DIRECTING OCITT STAFF TO TRANSFER PTP FUNDS TO
REIMBURSE MDT FOR EXPENDITURES PAID IN FISCAL YEAR 2003-2004,
RELATED TO THE ACQUISITION OF BUSES NECESSARY FOR THE
IMPLEMENTATION OF THE PTP**

Ms. Fernandez emphasized that the reimbursement would be only for the costs incurred for the current fiscal year associated with the purchase of buses that are part of the PTP.

Ms. Fernandez added that it would be ideal to work out a mechanism where departments would submit a reimbursement package on a quarterly basis to OCITT staff for the transfer of funds. In this instance, staff was given an annual package for \$70 million.

Mr. Moss moved to recommend to the full CITT approval of the resolution with actual amount to be reviewed and approved by the CITT staff and to be reviewed by the Executive Planning Committee. The motion was seconded by Mr. Buoniconti and carried without dissent.

CITIZEN'S COMMENTS

None

ADJOURNMENT

The Budget and Finance Committee adjourned at 12:45 p.m.

*****MINUTES ARE IN SUMMARY FORM***
FOR VERBATIM TRANSCRIPTIONS OF THIS MEETING PLEASE REQUEST
COPIES OF THE TAPE FROM THE MIAMI-DADE OCITT OFFICE (305) 375-3481.**